

Print & E-Commerce: Models for the Web

March, 1999

Mills Davis

DIGITAL ROADMAPS Professional Services

DIGITAL
ROADMAPS

PROFESSIONAL
SERVICES

Digital Roadmaps Project

DIGITAL
ROADMAPS

PROJECT

DIGITAL
ROADMAPS

PROFESSIONAL
SERVICES

DIGITAL
ROADMAPS

2000

DIGITAL
ROADMAPS

.NET

Mills Davis

Mills Davis is a visionary, researcher, and consultant to the computing and graphic communication industries. He is the founder and CXO (Chief Change Officer) of Digital Roadmaps.

The e-future of print and media

**The future of printing, publishing, and all
media communications is —
digital services and extended enterprise
management conducted across networks.**

E-future of print and media (cont.)

What is the 21st century landscape?

- 1 A network runs through it. Your business and everyone else's is on-line. Organizations form .
The entire value chain is networked. Businesses function as virtual offices on each other's networks.
- 2 . The building blocks are interactive services. Enabling infrastructure as well as value-added functions are acquired by subscription rather than capital investment.
- 3 for communications, electronic commerce, content, and media process management enable customer and service provider systems to work together.

E-future of print and media (cont.)

- 4 You as digital information. Collaborative authoring and content outsourcing across networks is common. You author for multipurposing, mass-customization, and cross-media.
- 5 The network is the database. You by managing content, media, work-in-process, e-commerce, and intellectual property as assets — for multiple returns on content.
- 6 All companies are media-agile. You in more ways — through direct printing, variable data printing, distributed (conventional) printing, digital media replication, and interactive content delivery.
- 7 You over networks. E-commerce building blocks are the basis of interoperability across the value chain.

E-business models* for printing & publishing

1 Echannels

2 E-direct

3 E-people

4 Smart solutions

5 Virtual value chains

* Inspired by NorthEast Consulting Resources'

"Mapping the future of e-business strategy", November 1998

1. Echannels

- Echannels (i.e., net-based intermediaries) make the market.
- Echannels serve as the primary customer interface. Attracting customers from a global base and retaining them with a mix of highly targeted offers and active affinity programs is the name of the game.
- Value added by Echannel intermediaries includes: (1) detailed market analysis/data-mining and management, (2) aggregation of offerings, (3) trust (name brand)/community, (4) microsegmentation/focused targeting to buyers, (5) security/integrity/authentication, and (6) payment/financing schemes.
- Best suited for commodities and neo-commodities. Customers benefit by having the ability to buy what they want, the way they want to buy.
- Example: graphic arts materials.

2. E-direct

- Direct to the source
- Manufacturers leverage e-business systems to provide all potential customers with powerful Web interfaces, allowing them to buy directly—thereby eliminating most intermediaries. Customers choose to invest time and trust by sharing information with manufacturers because they get lower prices, more control over specifications, better products, improved responsiveness, and greater choice.
- Direct selling works for both business-to-business and consumer markets. Suited for physical products, and intangible and customizable goods where customers know what they want and how much they want to pay, and for repeat purchases.
- Example: graphic arts materials, software and equipment.

3. E-people

- People still power e-business.
- Managing "high-touch" business relationships remains a very people-dependent endeavor. Communication is key. Suppliers use a range of e-business collaboration technologies to enhance relationships with key accounts.
- Best suited for high-margin, complex, high-service, consultative e-business. Customers benefit when they can leverage supplier resources as easily as their own.
- Example: consultative sales of contract printing and value-added graphic communication services.

4. Smart Solutions

- Smart solutions (i.e. – products and services) tightly link customers and suppliers. Smart solutions will spur a transition from purchasing products to leasing services.
- Embedded, programmable technology enables “smart” products and services that communicate with manufacturers and their channel partners. This steady stream of product-specific performance data drives accelerated product development, improves the overall customer experience, and provides detailed product usage information.
- Best suited for solutions that are upgradeable, need maintenance, and require customization, consumables, and licensing rights. Customers benefit through improved ease of use and reduced hassle.
- Example: graphic communications services (outsourcing)

Intelligent services

SOURCE: MILLS•DAVIS

Service building blocks

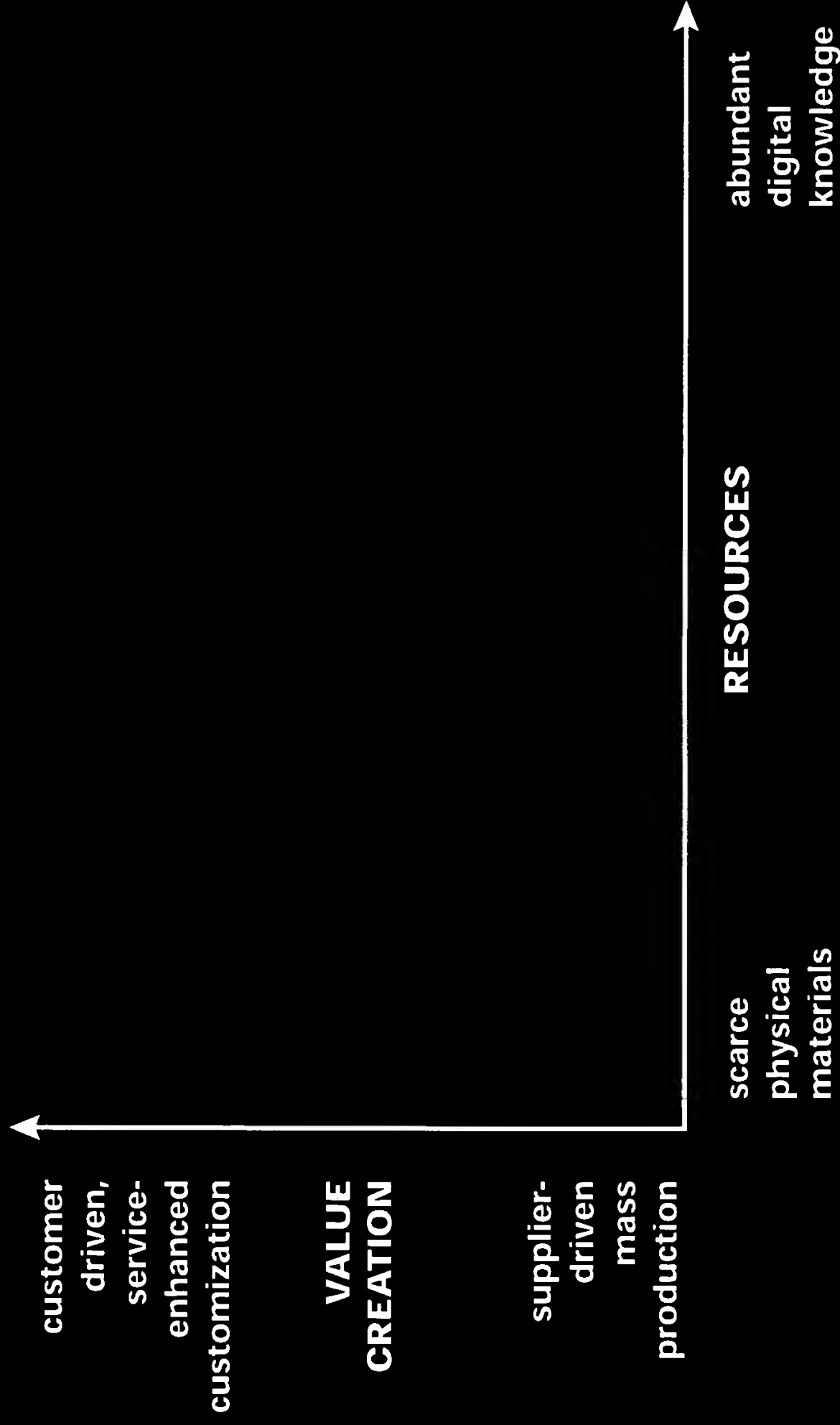
SOURCE: MILLS•DAVIS

"Lego" services

5. Virtual value chains

- Value chain virtualization wins. It could be possible to optimize an entire industry in this way.
- Development of electronically linked inter-company e-business systems restructures traditional value-chains and creates new opportunities for efficient players.
- Companies deconstruct the value-chain by identifying and concentrating on their core capabilities. Customers select suppliers along the value-chain to deliver the product or service needed. Suppliers build to order, focusing on their core competencies while cooperating with value-chain partners to meet the rest of the customer needs.
- Best suited for business-to-business in mature, stable industries. Customers benefit by getting just the product they want, on time, with no cost penalty.
- Example: print networks.

E-business communities



SOURCE: Alliance for Converging Technologies

Networked value chains

Wide-area multi-service:



SOURCE: MILLS•DAVIS

Integrated communications workflow



SOURCE: MILLS • DAVIS

Networked information

SOURCE: MILLS•DAVIS

Graphic communications process

DIGITAL MASTERS
META-DATA
CONTENT
MEDIA
PROCESS
E-COMMERCE
KNOWLEDGE

SOURCE: MILLS•DAVIS

E-commerce

SOURCE: MILLS•DAVIS

10 9 8

eCommunity

SOURCE: MILLS•DAVIS